

## Car Allowance Rebate System (CARS) Procedures

### Information

VIN 2009-24 was recently released to inform dealers, who accepted a vehicle under the Car Allowance Rebate System (CARS) program, to surrender the title to the Department of Motor Vehicles (DMV) to have the vehicle reported as a non-revivable junk.

This is to clarify that, vehicle dealers **can** also release CARS vehicles and their titles to dismantlers, salvage auto auctions, and scrap iron processors to have the vehicles reported as non-revivable junk.

### Procedures

To dispose of a CARS vehicle and title through an auto dismantler, salvage auto auction, or scrap iron processor the dealer will:

- Complete a Wholesale Report of Sale (REG 396) to give to salvage auto auctions, dismantlers, or scrap iron processors.
- Mark titles “Clunker,” “Cash for Clunkers,” or “CARS” to indicate the vehicle was acquired using the CARS rebate.
- Complete the “Dealer’s Transactions Only” section on the reverse side of the title with the standard dealer endorsement and give the CARS title to the dismantler, salvage auto auction, or scrap iron processor.

**NOTE:** Dealers who have already obtained the non-revivable junk receipt must provide the dismantler, salvage auto auction, or scrap iron processor that is shredding or crushing the vehicle with the junk receipt and a bill of sale. The completion of a REG 396 is not required.

The auto dismantler, salvage auto auction, or scrap iron processor will surrender the CARS title to the Department of Motor Vehicles to be issued the non-revivable junk receipt.

### Background

The federal Car Allowance Rebate System (CARS) Act, AKA Cash For Clunkers program, requires that vehicles traded to participating dealers in exchange for federally subsidized discounts toward the purchase of new vehicles, be branded as “Non-revivable” and cannot be used again on any roadway.

### Reference

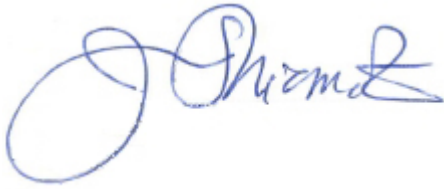
VIN 2009-24, Federal Car Allowance Rebate System Procedures  
*Handbook of Registration Procedures*, Chapter 4

**Distribution**

Notification that this memo is available online, at **[www.dmv.ca.gov](http://www.dmv.ca.gov)** under Publications was made via e-mail alert in October 2009.

**Contact**

Call the DMV Customer Communications Section, at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.

A handwritten signature in blue ink, appearing to read "J Shiimoto". The signature is fluid and cursive, with a large loop at the beginning.

JEAN SHIOMOTO, Deputy Director  
Communication Programs Division